Market Price of Maize

2915. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that open market price of maize is below the Minimum Support Price;

(b) if so, whether Government have advised the Food Corporation of India to open adequate number of purchase centres for accepting maize at the Minimum Support Price of Rs. 445/- per quintal;

(c) the number of such centres to be opened in Andhra Pradesh; and

(d) The quantity of maize purchased so far?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) to (c) To avoid distress sale of maize by the farmers below the Minimum Support Price, the Food Corporation of India has opened 44 purchase centres in Andhra Pradesh in consultation with the State Government. The State Government nominee, *i.e.* AP MARKFED has also opened 32 purchase centres for procuring maize under Price Support Operation at the Minimum Support Price to help the farmers.

(b) As on 16.3.2001, a quantity of 20451 MTs and 18891 MTs of maize has been procured by the FCI and the AP MARKFED respectively.

Buffer stock of sugar

2916. SHRI NARENDRA MOHAN:
SHRI P. K. MAHESHWARI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government are aware that this year sugar industry is carrying an excessive stock of about 60 lakh tonnes resulting into additional interest burden of Rs. 467 crores;

(b) if so, whether Government are creating a buffer stock of at

least 20 lakh tonnes of sugar as was created during the years 1982, 1983, 1984 and 1996 having regard to the additional surplus stocks during that period; and

(c) what steps are being taken to resolve this crisis in the sugar industry which is suffering very badly at present?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) As on 1.10.2000, the closing stocks of sugar are provisionally estimated at 92.97 lakh tonnes.

(b) A proposal for the creation of buffer stock of sugar is under examination.

(c) Government has taken the following steps to improve the financial health of the sugar industry;

(i) Levy obligation on sugar mills, which was reduced from 40% to 30% *w.e.f.* 1.1.2000, has been further reduced to 15% *w.e.f.* 1.2.2001.

(ii) Customs duty on imported sugar has been increased to 60% *w.e.f.* 9.2.2000, alongwith continuance of the countervailing duty of Rs. 850 per tonne, so as to restrict the inflow of sugar into the country.

(iii) Monthly releases of free-sale sugar are being made judiciously to ensure fair realisation to sugar industry.

(iv) Advance releases of freesale sugar are being given to needy mills to enable them to clear cane price dues of the farmers.

(v) Export of 10 lakh tonnes of sugar has been permitted in the licensing year 2000-2001 (April-March). In order to boost the export of sugar, Government has taken the following measures:—

- Sugar meant for export has been exempted from levy obligation. This exemption, which was initially available for a period of six months commencing from 1st June 2000, has been extended upto 31st March, 2001.

• The quantity exported for commercial exports is being treated as advance freesale release to be adjusted after a period of 12 months from the date of release.

• The levy exemption on the quantity of sugar meant for commercial exports, if it cannot be availed by the sugar factory out of 1999-2000 season's production due to the completion of its levy obligation, may be availed by the concerned sugar factory from the production in the ensuing sugar season.

• DEPB at the rate of 5% of the F.O.B. value of exports of sugar has been allowed.

(vi) Government has decided to introduce futures/forward market in sugar.

Utilisation Certificates and Social Audit of Food items

2917. SHRI KRISHNA KUMAR BIRLA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government has decided to ask for utilisation certificates and social audit of the food items given to various States and under PDS;

(b) if so, whether State Governments have in principle agreed to give utilisation certificates to the Central Government;

(c) if so, the details thereof; and

(d) to what extent the social audit of food items is going to check diversion of food items allocated under PDS?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) to (d) With a view to devising a mechanism to ensure the foodgrains lifted by the State Governments from central godowns are actually distributed to the beneficiaries under the Targeted Public Distribution System,